



Fiscal Year 2014-15 Year-End Financial Status Report

County of San Luis Obispo

Introduction

In accordance with the Board's adopted policy related to Ongoing Budget Administration, this Year-End Financial Status Report provides an overview of the County's financial position at the end of FY 2014-15. The purpose of the Year-End Financial Status Report is to provide the Board and public with a clear view of the County's financial position at year-end, compared to the adopted budget and mid-year projections.

The Year-End Financial Status Report begins with an overview of the approach that County staff took in preparing the FY 2014-15 budget. The remainder of the report is organized in following sections:

Section 1 - an overview of the County's financial position at the end of the fiscal year, as well as brief summaries of noteworthy departmental fiscal variances and operational issues.

Section 2 - a listing of all personnel changes approved by the Board of Supervisors during the fourth quarter.

Section 3 - an update on the Completed Capital and Maintenance Projects managed by the General Services Department.

Section 4 - an update on the Completed Capital and Maintenance Projects managed by the Public Works Department.

Section 5 - miscellaneous items for the Board's consideration, such as requests from departments for discharge of bad debt.

Section 6 - an overview of departmental goals and performance measures in FY 2014-15.

Looking Back - FY 2014-15 Budget Developments:

FY 2014-15 represented year seven of the County's "Seven Year Pain Plan" which began in FY 2008-09. The Seven Year Pain Plan was designed to navigate through the largest financial downturn in decades. A series of short and long term approaches were used to incrementally and methodically close the structural budget gap ranging from a high of \$30 million in FY 2009-10 to a low of \$2 million in FY 2012-13. Due to the County's adherence to the Plan, the structural gap dissipated as envisioned. The FY 2014-15 budget approved by the Board represented growth when compared to the cuts that had occurred in prior fiscal years. Contingencies were restored from 4% to 4.5% (historical target is 5%) and additions to the Tax Reduction Reserve designation, the Pension Obligation Bond repayment designation, and General Government Building Replacement Reserve-building replacement reserve were made in order to plan for future expenses. The total number of positions approved during budget hearings was 2,554.75 which was a net increase of 106.5 FTE when compared to the FY 2013-14 adopted budget. A net total of 26.5 FTE positions were added during the fiscal year bringing the total number of positions at the end of FY 2014-15 to 2,579.25 FTE.

Board Policy:

Ongoing Budget Administration

It shall be the responsibility of the County Administrative Officer to submit Quarterly Financial Status Reports to the Board of Supervisors. These reports shall provide a projection of expenditures and revenues, identifying projected variances. They may also include recommendations and proposed corrective actions, which may include mid-year reductions.

Section 1
Overview of Financial Position

The table below shows the final percentages as compared to the adjusted budget for both expenditures and revenue for all funds and for the General Fund.

The summary table on the next page shows the year-end status of all General Fund departments. Some departments (Health Agency, Social Services, Human Resources and Auditor-Controller-Treasurer-Tax Collector [ACTTC]) include more than one fund center which are displayed on the summary table at the agency or departmental level, rather than individually. Internal Service Funds, Enterprise Funds and Special Revenue Funds are not shown, as these Fund Centers maintain their funding outside of the General Fund.

Expense & Revenue All Funds Comparison		
	Year-End FY 2013-14	Year-End FY 2014-15
Expenditures	81%	78%
Revenue Realized	93%	90%
Expense & Revenue General Fund Comparison		
	Year-End FY 2013-14	Year-End FY 2014-15
Expenditures	90%	92%
Revenue Realized	98%	102%

As shown on the next page, the total FY 2014-15 savings contributed by General Fund departments is approximately \$6 million less than the total adjusted budget amount for General Fund support.

A discussion of the drivers behind the significant overall favorable variance is provided following the summary table as well as a follow up on other issues that were brought to the Board's attention during prior quarters.

Title	2014-15 Budgeted + Adjustments General Fund support	2014-15 Actuals + Encumbrances General Fund support	\$ Diff	% Diff
COURT OPERATIONS	-453,986	-1,008,865	(554,879)	122%
GENERAL SERVICES	6,250,222	6,406,682	156,460	3%
PUBLIC DEFENDER	5,519,754	5,540,175	20,421	0%
CLERK/RECORDER	420,599	420,599	0	0%
CHILD SUPPORT SERVICES	0	0	0	0%
ASSESSOR	9,079,540	9,052,661	(26,879)	0%
CONTRIBUTIONS TO OTHER AGENCIE	1,304,202	1,299,456	(4,746)	0%
VETERANS SERVICES	918,669	913,609	(5,060)	-1%
SOCIAL SERVICES (4 Fund Centers)	6,671,386	6,593,911	(77,475)	-1%
COUNTY COUNSEL	3,514,168	3,466,517	(47,651)	-1%
FARM ADVISOR	473,704	465,182	(8,522)	-2%
MAINTENANCE PROJECTS	6,820,776	6,695,820	(124,956)	-2%
SHERIFF-CORONER	38,211,780	37,395,630	(816,150)	-2%
AUDITOR-CONTROLLER-TREASURER-TAX COLL-PUBLIC ADMIN (2 Fund Centers) (ACTTC)	6,054,020	5,924,331	(129,689)	-2%
BOARD OF SUPERVISORS	1,644,663	1,606,586	(38,077)	-2%
COUNTY FIRE	15,299,278	14,881,997	(417,281)	-3%
DISTRICT ATTORNEY	8,950,104	8,676,758	(273,346)	-3%
ADMINISTRATIVE OFFICE	1,751,429	1,683,202	(68,227)	-4%
INFORMATION TECHNOLOGY	9,224,809	8,803,936	(420,873)	-5%
HUMAN RESOURCES (2 Fund Centers)	3,320,045	3,151,230	(168,815)	-5%
PROBATION DEPARTMENT	9,210,112	8,701,211	(508,901)	-6%
AGRICULTURAL COMMISSIONER	2,213,264	2,069,040	(144,224)	-7%
HEALTH AGENCY (4 Fund Centers)	14,008,899	12,852,966	(1,155,933)	-8%
NON-DEPT OTHER EXPENDITURES	318,500	290,154	(28,346)	-9%
PLANNING & BUILDING DEPARTMENT	7,068,939	6,415,800	(653,139)	-9%
PUBLIC WORKS SPECIAL SERVICES	1,518,355	1,355,150	(163,205)	-11%
EMERGENCY SERVICES	174,727	143,406	(31,321)	-18%
GRAND JURY	139,093	107,585	(31,508)	-23%
WASTE MANAGEMNT	940,274	641,432	(298,842)	-32%
Sub Total	160,567,325	154,546,161	(6,021,164)	-4%

NON-DEPARTMENTAL REVENUES	(161,155,538)	(184,168,527)	(23,012,989)	14%
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General Fund Total	(588,213)	(29,622,366)	(29,034,153)	
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As the preceding table indicates, departments realized significant General Fund support savings in FY 2014-15. These savings were can be found primarily within savings in salary and benefit and service and supply expenditures. Drivers for salary savings include staff vacancies, leave of absences or the use of voluntarily time off (VTO), lengthy recruitment processes, or filling positions at levels lower than budgeted.

In the 3rd quarter of FY 2014-15, the Board of Supervisors, Auditor Controller Treasurer Tax Collector, Agricultural Commissioner and Farm Advisor fund centers reported that they would not be able to absorb the expense associated with the negotiated salary and benefit increases that were approved by the Board in November 2014. To enable those departments to cover this unbudgeted expense, a total of \$244,295 was appropriated from General Fund contingencies to these departments. Subsequent to that approval, at year end, these departments combined were a total of \$320,520 below their adjusted General Fund support netting to \$76,225 being returned to the General Fund. Unspent expenditures, such as in salary and benefit, and unanticipated revenue are the primary drivers behind this change. For example, the Board of Supervisors had an unanticipated savings of \$22,000 in their professional and special services as the result of the County changing auditing firms mid-year. In addition, the Board's interfund charges were 26% over adopted levels mainly due to being reimbursed for the cost of the Administrative Assistant III who acts as a shared receptionist with the Administrative Office. For the other departments, anticipated expenditures in saving and benefits, such as increased use of temporary help, vacation buybacks, retirement payouts or leave without pay, did not materialize.

Other factors that contributed to the overall reduction in General Fund support to departments include significant savings due to the continued implementation of the Affordable Care Act, significant savings in services and supplies, and unanticipated revenue. Additionally, the non-departmental revenue realized was more than \$23 million in excess of the amount included in the FY 2014-15 budget primarily due to an increase in sales tax revenue related to the solar plants, the accelerated re-payment by the State of pre-2004 SB 90 claims, and higher than budgeted property tax revenue. Excess in non-departmental revenue contributed significantly to the year-end General Fund Balance Available (FBA) of approximately \$29 million. As the September 15, 2015 ACTTC's final budget actions staff report indicates, the actual General Fund FBA exceeded estimates by a total of \$4.1 million primarily due to expenditure savings beyond projected levels. Of this \$4.1 million, approximately \$2 million is related to one time Prop 172 (1/2 cent sales tax for public safety) related to the large scale solar projects in California Valley, and is recommended to be moved to the Prop 172 Solar Designation.

Noteworthy issues and follow up on issues identified in the prior quarters:

The summary below highlights notable issues by department, including an update on the Airports budget and enplanement levels, per Board direction, and a financial update on Camp Mabel French.

Department: Clerk-Recorder
Fund Center: 110
Issue: Decreased recording fee revenue
Impact to General Fund: None

As reported in prior quarters, recording revenue, at year end, was 5% or \$42,821 below FY 2014-15 budgeted levels. While overall recording revenue declined the past two fiscal years, FY 20014-15 revenue of \$987,179 was a 8% (\$73,472) increase when compared to recording revenues realized in

FY 2013-14 (\$913,707). The number of titles recorded has increased by 4% (3,175) and the page count has increased by 13% (33,665) compared to FY 2013-14. Recent trends indicated

that recording revenue was rebounding; however, those increases didn't begin until the last half of the fiscal year and were not enough to bring recording revenue up to budgeted levels. The Clerk-Recorder will be able to mitigate the revenue shortfall with unanticipated revenues and decreased expenditures to avoid any impact to the General Fund.

Department: General Services
Fund Center: 113
Issue: General Services Agency dissolution
Impact to General Fund: exceeded General Fund support by \$156,450

At year end, General Services has exceeded its General Fund support by \$156,450, although it is within its appropriation limit. As a part of the dissolution of the General Services Agency (GSA), 6.00 FTE positions were moved from the former GSA Parks and IT by Board action on December 9, 2014. Although the positions were transferred,

the personnel-related expenses remained in General Services' budget as a transfer out to Parks and IT. Since the department was unable to bill for the services that the positions would have provided, it experienced a revenue shortfall of \$212,273. In addition, new hires at lower salary steps reduced the average billable rate for architectural services by a total of \$83,671. These revenue shortfalls are partially offset by salary savings, but the end result is an exceedance of General Fund support by \$156,450.

Overall, the General Services Agency dissolution was cost-neutral for FY 2014-15. The reduction in revenue for General Services, as explained above, was roughly equivalent to savings realized for Parks and Information Technology (IT), since those departments had already budgeted expenses for the administrative support they previously received from the Agency. At a broader level, actions related to the dissolution have had a net impact of approximately \$75,000 in savings. This is essentially the difference generated by elimination of 5.00 FTE position, including the General Services Agency Director and four deputy director and the addition of 4.00 FTE new department head positions for the new departments.

Department: Public Defender
Fund Center(s): 135
Issue: Revenue shortfall
Impact to General Fund: exceeded budgeted General Fund support by \$20,419

At the end of FY 2014-15, Public Defender exceeded its budgeted level of General Fund support by \$20,419 or 0.36%. This is due mainly to revenue shortfalls of \$21,225 or 4%. The shortfall was the result of lower than budgeted receipts in reimbursement revenue, which were approximately \$53,000 under budget, but which

were partially offset by higher than budgeted receipts from other revenue sources.

Department: County Fire
Fund Center: 140
Issue: Unbudgeted increase in expenditures
Impact to General Fund: \$417,289 in General Fund support savings

Cal Fire staffs and operates the County Fire Department under a contract between the County and the State of California. The annual cost of this contract is subject to expense increases due to changes in rates charged by the California Public Employees' Retirement System (CalPERS), as well the State's collective

bargaining agreements relating to firefighters and other Cal Fire labor units.

In September, two such changes went into effect. First, Cal Fire's employee benefit rates increased based on changes in assumptions made by CalPERS. Second, the State increased firefighter salaries retroactive to July 1, 2014. This was done as a result of collective bargaining that took place following the statewide increase in the minimum wage, which increased from \$8/hr. to \$9/hr. on July 1, 2014. Collective bargaining was triggered because Firefighter I

salaries are pegged to minimum wage, and therefore increased 12.5% (or \$1/hr.). Although the County's contract with the State includes no Firefighter I positions, salaries for Firefighter II positions were "compacted" by the increase, because there was no longer a meaningful difference in compensation between the Firefighter I and II levels, despite the difference in skill and experience between the two levels.

The aggregate impact on the cost of the County's contract with Cal Fire at year end from these two unbudgeted expense increases was \$646,719. This is 4.1% higher than what the estimated cost of what the contract would have been without the mid-year expense increases in personnel costs. County Fire had estimated in prior quarterly reports that this unbudgeted expense could be as high as \$763,762 or 4.9% more than the budgeted expense for Cal Fire's contract. However, a number of factors have helped hold down the actual expense.

In previous quarterly reports, the estimated impact was based on budgeted personnel cost, which conservatively assumed full staffing and top step salary and benefits for all positions. Actual staffing included vacancies and positions paid at less than top step. Previous estimates also assumed a six month fire season. However, the 2014 fire season ran longer than six months, and the 2015 fire season began early, resulting in significant savings to the County, as the State covered the cost of some Cal Fire personnel (those in "Amador agreement" stations) for a greater portion of the year that was assumed in the budget. Lastly, additional savings was realized due to some County-funded positions being assigned to fires outside the County. The cost for these positions is reimbursed by the State.

Overall, expenditures ended the year \$419,257 or 1.9% under budget and revenues were on essentially on budget, with a shortfall of only \$1,968 at year end. As a result, General Fund savings to the County was \$417,289 or 2.7% at the end of FY 2014-15.

Department: Planning & Building
Fund Center(s): 142
Issue: Fee Waivers Update
Impact to General Fund: None

The department reports the total amount of waived fees at the end of each fiscal year. The department's fee schedule authorizes the Planning Director to waive up to \$5,000 in permit processing fees for projects that provide broad public benefit. Evidence of public benefit may

include but is not limited to: 1) the project meets a need previously identified or recognized by the Board of Supervisors; 2) the project replaces another facility that previously provided benefit; 3) the project provides a facility not presently available in the community; 4) the project has generated substantial, obvious community support; or 5) the project would reduce other County costs or increase other County revenues. The Board of Supervisors has the authority to consider other fee waiver requests, in excess of \$5,000, when it considers such waivers to be equitable and in the public interest.

During FY 2014-15, the Department of Planning and Building or Board of Supervisors waived fees for the following reasons:

BEES (energy credit)	\$ 0
Board of Supervisor approved	\$ 86,743
County projects	\$ 0
Excess CA Law Solar Credit	\$ 94,142
Grid Photovoltaic	\$ 5,308
Public benefit credit	\$ 57,083
Urban Reserve credit	\$ 63,825
Veterans credit	\$ 632
Total	\$307,703

This represents 4.9% of actual fees collected. The total amount is up from \$157,367 in FY 2013-14.

Department: Court Operations
Fund Center: 143
Issue: Revenue increase
Impact to General Fund: \$554,877 higher than budgeted contribution to General Fund

The Court Operations budget ended FY 2014-15 with a total General Fund contribution of \$1,008,862. This is \$554,877 or 122% higher than the \$453,986 contribution adopted in the budget. This change due almost entirely to revenue factors (expenditures have remained

unchanged from prior years). The State's "50% Excess MOE" charge, which is shown in this budget as revenue reversed out of this fund center and sent to the State for court operations, is much smaller than in prior years. It totaled only \$72,817 in FY 2014-15, compared to the budgeted amount of \$500,000, for a savings of \$427,182. In prior years this charge has ranged from \$632,933 only five year ago (FY 2010-11), to \$279,675 last year (FY 2013-14). The "50% Excess MOU" amount was so much lower in FY 2014-15 because the State calculates the amount based on the prior year's revenue receipts.

Health Agency

Overall, the Health Agency ended the year with a General Fund support savings of more than \$2 million; well above the estimated savings of \$1.2 million reported to the Board in the FY 2014-15 third quarter status report. This significant FBA is attributed to General Fund support savings of \$990,600 in Public Health, approximately \$891,100 in the Medically Indigent Services Program (MISP) and \$307,750 in Animal Services. The savings in Public Health is primarily due to staff vacancies. Savings in the MISP budget is primarily a result of lower than expected enrollment due to continued implementation of the Affordable Care Act as well as significantly lower average medical costs per client than was assumed when the FY 2014-15 budget was developed. The savings in Animal Services is due to a combination of expenditure savings (primarily in salaries and benefits) and higher than anticipated revenue. In the FY 2014-15 third quarter report staff projected that the Behavioral Health and Law Enforcement Medical Care (LEMC) budgets would exceed their budgeted level of General Fund support at year end by a combined total of almost \$697,000. However, performance in these two fund centers improved in the fourth quarter and, together, ended the year exceeding budgeted General Fund support by \$142,356. Savings in the Public Health, MISP and Animal Services budgets more than offset this \$142,356 overage, resulting in no negative impact to the General Fund.

The issues facing the Behavioral Health and LEMC budgets as well as information on the lower than expected spending levels for Public Health and the MISP budgets are discussed below.

Department: Health Agency- Public Health
Fund Center: 160
Issue: Expenditure Savings
Impact to General Fund: \$990,641 savings in budgeted General Fund support

As noted above, Public Health ended FY 2014-15 with a savings in General Fund support of more than \$990,600 (23%). This is significantly more than the estimated General Fund support savings of \$202,000 in the third quarter due primarily to a combination of

higher than projected revenues received in the fourth quarter and unanticipated salary savings due to vacancies, also occurring in the fourth quarter. Public Health received approximately \$83,000 more in California Children's Services revenue than assumed when they set up their accruals for FY 14-15. They also received a \$52,000 grant for Environmental Health that was not accrued. Finally, the department realized approximately \$87,000 more in Sanitation Fees than anticipated in the 3rd quarter due to an increase in Water Well, Hazardous Material and Retail Food Safety inspection activity.

The \$990,600 savings is largely due to expenditure savings in the salary and benefits accounts of \$944,860 (6%). There has been a fair amount of turnover in Public Health and the department currently has 13.25 FTE vacant positions that are in various stages of the recruitment and selection process. Vacancies in the medical professions (such as nursing and Physical Therapy/Occupational Therapy) have had an impact on service levels, such as reductions in nursing home visits, physical therapy appointments provided to California Children's Services clients and medical therapy services provided to schools. In addition, nurse case managers have been required to carry a larger case load until vacancies are filled.

Department: Health Agency- Behavioral Health
Fund Center: 166
Issue: Revenue shortfall
Impact to General Fund: exceeded budgeted General Fund support by \$127,205

At year end, the Behavioral Health budget exceeded the budgeted General Fund support by \$127,205 (2%) primarily due to a shortfall in revenue. This is an improved situation compared to the projected \$534,508 overage in General Fund support reported to your Board in the third quarter. The primary reasons for this reduced impact to the General Fund include an

increase of approximately \$200,000 in Medi-Cal revenue compared to the third quarter projection, a shift in the source of funding for approximately \$100,000 in Information Technology services from the General Fund to Mental Health Services Act funding and an additional \$100,000 in salary savings achieved in the fourth quarter compared to the department's earlier projection.

As indicated in the third quarter report, there are three revenue resources that fell short at year end, for a combined total of approximately \$592,000 in revenue shortfall. These three revenue sources include Medi-Cal Administrative and Quality Assurance revenue, Medi-Cal reimbursement for services provided to clients at the Psychiatric Health Facility, and Medi-Cal Administrative Activities (MAA). Most of this revenue shortfall was offset by expenditure savings in other areas. However, savings in General Fund support elsewhere in the Health Agency, primarily Public Health and the MISP budget, was sufficient to absorb the \$127,205 which would have otherwise been a General Fund impact.

Department: Health Agency- Law Enforcement Medical Care (LEMC)
Fund Center: 184
Issue: Revenue shortfall
Impact to General Fund: exceeded budgeted General Fund support by \$15,153

The Law Enforcement Medical Care (LEMC) budget ended the year slightly over its budgeted level of General Fund support (\$15,153 or 1%) due to a shortfall in revenue. This is an improvement over the projected \$162,267 overage reported in the FY 2014-15 third quarter report. At year end, revenues came in short approximately \$149,400 or 12%

compared to budgeted levels due to two factors. The first is associated with \$98,325 in Medi-Cal reimbursement revenue that was not received this fiscal year. This revenue was budgeted due to the implementation of the Affordable Care Act and the expansion of Medi-Cal coverage to childless single adults. Under the Medi-Cal expansion the State is expected to now provide reimbursement for acute hospital care provided to Medi-Cal eligible inmates admitted to a hospital for at least 24 hours. However, the State has not yet issued a protocol for claiming reimbursement for these expenses and it is not known if the State will accept claims retroactively back to the beginning of the fiscal year once the protocol has been released.

Expenditures came in \$134,225 under budget at year end due to unexpected vacancies that occurred in the fourth quarter of the year, yielding more than \$83,200 in salary and benefit savings as well as savings in services and supplies. Expenses for medical services provided by

hospitals, specialty care and other providers came in approximately \$58,700 lower than budgeted. In addition, expenditures for pharmaceuticals came in approximately \$36,700 less than budgeted. These savings are maybe a result of the 13% reduction in the average daily inmate population compared to the prior year.

Department: Health Agency – Medically Indigent Services Program (MISP)
Fund Center(s): 350
Issue: Expenditure Savings
Impact to General Fund: savings of \$891,119

Under the State Welfare and Institutions (W&I) Code 17000, the County is required to provide for medical care of indigent residents who have no other payer source (i.e. Medi-Cal or private health insurance).

With the inception of the Medi-Cal expansion under the Affordable Care Act (ACA) on

January 1, 2014, the majority of indigent medical care clients became newly eligible for Medi-Cal. The ACA includes a mandate that all individuals must have health insurance, with a few exceptions. Therefore, uninsured individuals with incomes at 139% - 250% of the Federal poverty level must either purchase subsidized health care coverage through the State's Health Benefits Exchange (known as Covered California) or seek approval for an exemption due to financial or other verifiable hardships. Those individuals who meet the requirement for a hardship exemption, and who have a medical need, qualify for financial assistance for medical bills through the County's MISP program.

At year end, the Health Agency expended \$311,665 on medical care out of the \$1,222,000 budgeted, reflecting a savings of almost \$887,345 (73%). This is due to the combination of a significant decrease in the number of clients served (27) compared to the 350 clients the Health Agency assumed, and a significant decrease in the average medical expense per client (\$200 as opposed to \$3,000 per client). A total of 473 individuals sought MISP services, but only 27 individuals were enrolled in the program. Total medical payments for these MISP clients were \$5,281. The balance of medical expenditures were associated with clients of the prior County Medical Services Program (the precursor to MISP), whose bills have not been finalized. Enrollment numbers did increase in the fourth quarter of the year as a result of grant-funded outreach and education efforts. Health Agency staff are collaborating with the Department of Social Services (the department that determines eligibility for Medi-Cal) to promote the availability of MISP to eligible clients. These outreach activities will continue into FY 2015-16.

Given the low MISP enrollment rate, some of the staff time assigned to the MISP program was shifted to work on other programs operated by the Health Agency such as LEMC and the California Children's Services program, funded in the Public Health budget. Charges totaling \$120,059 to the LEMC and Public Health budgets have helped offset a portion of the cost of these positions. In addition, the Health Agency received \$169,772 in grant funds for Medi-Cal outreach, enrollment, and enrollment renewal.

Department: Social Services - Foster Care and Adoptions
Fund Center(s): 181
Issue: Unanticipated expenditures
Impact to General Fund: \$63,583 savings in budgeted General Fund support

In the third quarter, it was reported that expenditures for Foster Care/Adoptions were projected to exceed budgeted levels by \$375,500 at year end (an approximate \$252,242 increase to the County's share of costs). To ensure that this increased cost would not impact the department's level of General Fund support, the Board approved a budget adjustment in the amount of \$375,500 to bring in additional 1991 Realignment

and State and Federal Aid to cover the increased expense. The fund center ended the year under budget for County General Fund support by \$63,583, or 11%.

As reported in prior quarters, the anticipated overage was due to several different factors that were beyond the department's control. First, while ongoing Foster Care caseloads decreased 9% in FY 2014-15 compared to FY 2013-14, Foster Care intake caseloads have increased 60% from an average of 15 to an average of 24 and adoptions caseloads have increased 3% from an average of 594 in FY 2013-14 to an average of 613 in FY 2014-15. Second, the Resource Family Approval (RFA) program that standardizes the rules and processes for certifying foster and adoptive parents is resulting in increased certification costs. The department began implementing the RFA program in FY 2013-14, and it will be implemented statewide in the coming years. Third, the placement costs for high needs out-of-state foster care children, which are borne by the County, were more than originally budgeted.

The budget adjustment completed in the third quarter to bring in additional revenue to offset increased expenditures resulted in no change to the department's adopted level of General Fund support.

Department: Social Services – General Assistance
Fund Center(s): 185
Issue: Unanticipated expenditures
Impact to General Fund: exceeded budgeted General Fund support by \$119,000

At year end, the General Assistance budget exceeded its General Fund support by approximately \$119,000 due to lower Social Security Income (SSI) recoupments. However, the increase is offset by savings in General Fund support in the Department of Social Services' other fund centers.

General Assistance (GA) is a cash aid program that helps needy individuals and families who are not eligible for assistance under other programs. GA participants who claim to be disabled are required to apply for the Federal SSI program, and are provided interim assistance pending a determination from the Federal disability staff. If the application is successful, a retroactive SSI payment is sent to the County for reimbursement for the interim assistance provided to the applicant.

Department: Parks and Recreation
Fund Center(s): 305
Issue: Update on Camp French
Impact to General Fund: None

On May 1, 2014, the County assumed responsibility for Camp Mabel French, a 100 acre group camp facility, formerly run by the Boy Scouts of America, in the Lopez Lake Recreation Area. Operation of the Camp is projected to bring in additional revenue, since the Camp will add

seven campsites and facilities for events such as weddings, corporate team building and festivals, for rental by the County.

On March 11, 2014 the Board approved use of \$51,000 of Lopez Lake Project Reserves for various campground and ADA upgrades, including improvements to existing restroom and shower buildings, an access road and other smaller infrastructure work. These improvements, which are intended to make the Camp operational by County Parks and Recreation standards, began in May of 2014 and will resume after the peak camping season so as not to interfere with campers.

At the time that the County took responsibility for Camp French, it was expected that total operational costs would be \$22,650 in the initial year (not including the \$51,000 in infrastructure costs) and that the revenue generated by the Camp would be \$94,101, for a profit of \$71,451 in the first year of County operation. For the period of May 1, 2014 through June 30, 2015, operational costs were \$9,500 and the total revenue received was \$48,668, for a profit of \$39,168. The department anticipates that revenue and profit will increase as marketing efforts continue and additional improvements are made.

Department: Airports
Fund Center: 425
Issue: Budget status and enplanement levels
Impact to General Fund: None

As an Enterprise Fund, Airports relies on the revenues generated by the San Luis Obispo County Regional Airport and Oceano Airport to fund operational and capital expenses. Revenue from passenger enplanements on commercial air carriers is a key indicator of the Airports' fiscal health and outlook. Quarterly Financial Status Reports include

a regular update on the status of the Airports' budget with emphasis on the number of passenger enplanements.

Changes to air carrier service that began in 2007 with rising fuel prices were exacerbated by the great recession of 2008. Many airports, including the San Luis Obispo County Regional Airport, experienced reductions in the number of commercial flights and an overall decline in enplanements. During this period annual expenditures for Airports' operations largely exceeded revenues. In difficult years, Airports relied on its cash balance in the Airport Fund to cover expenses. Fortunately, the fiscal condition at the Airports is improving as general economic conditions improve. After several years of decreased enplanements, enplanements increased 11% in FY 2013-14 and continue to increase in FY 2014-15. As a result, in FY 2012-13 and FY 2013-14 revenue exceeded operational expenditures by \$139,000 and \$439,256 respectively. As of the end of FY 2014-15, Airports ended the year with revenue in excess of operating expense totaling \$431,838.

The following table shows enplanement numbers from FY 2007-08 to present, along with annual percentage change in enplanements:

Fiscal Year	Q1	Q2	Q3	Q4	Cumulative	% Change
2007-08	51,343	48,784	38,794	43,364	182,285	
2008-09	42,697	32,566	26,866	30,619	132,748	-27%
2009-10	32,968	30,873	27,645	33,666	125,152	-6%
2010-11	36,301	36,128	30,496	36,984	139,909	11%
2011-12	35,631	34,493	30,185	33,935	134,244	-4%
2012-13	35,457	31,850	30,354	34,654	132,315	-1%
2013-14	36,753	36,224	34,528	39,600	147,105	11.2%
2014-15	40,345	38,356	35,567	35,290	149,558	1.7%

The number of commercial air service passenger enplanements is a major driver of Airports revenues. As of the end of FY 2014-15, enplanement levels at the San Luis Obispo County Regional Airport had increased by 2,453 or 1.7% compared to FY 2013-14. The Airport has worked with the community to develop a revenue guarantee program to encourage United Airlines to offer a flight to Denver. No flights have been added at this time, but the Airport continues to pursue opportunities to attract additional flights from United and other airlines. However, on September 1, 2015, United Express operated by SkyWest Airlines began offering a third round trip San Francisco frequency and a fourth round trip Los Angeles frequency from the San Luis Obispo County Regional Airport. Coupled with the three existing flights to Phoenix, there will now be ten non-stop jet flights daily from San Luis Obispo.

Department: Golf Courses
Fund Center(s): 427
Issue: Decrease in rounds played at Dairy Creek
Impact to General Fund: None

As an Enterprise Fund, Golf relies on the revenues generated by the County's three golf courses (Dairy Creek Golf Course, Chalk Mountain Golf Course and Morro Bay Golf Course) to fund its operational and capital expenses. The number of rounds played is a key component of Golf's fiscal health and outlook.

In prior quarterly reports, it was reported that Golf was experiencing a decline in rounds played. At year end, the overall decline in rounds played was 4.8% (5,867 rounds) compared to the previous fiscal year. The decrease is due to dry conditions at Dairy Creek Golf Course (rounds at Dairy Creek decreased by 22% compared to FY 2013-14) as a result of drought conditions, as well as a decrease in the amount of effluent irrigation water that is transferred from California Men's Colony (CMC) to Dairy Creek. The decrease in effluent water from CMC is a result of a decreased prison population and water conservation measures at CMC's facility.

In addition to the water shortage, the concessionaire at Dairy Creek filed for bankruptcy at the end of September 2014, ceasing to provide concession services at the course, including food and beverage service, reservations, golf cart rentals, and operation of the pro shop. In an effort to mitigate the impacts to Golf's customers and revenues, County Golf staff has been running the course on a temporary basis until a new concessionaire begins its operations (anticipated by the end of September 2015). Staff is continuing to work with concession partners to incentivize play at the County courses by utilizing promotional offers to golfers. Golf is also currently studying options for how to manage the Dairy Creek golf course in the longer term due the water shortage and decrease in rounds played.

During budget preparation for FY 2014-15, Golf expected that revenues would exceed expenditures by \$59,596 at year end. Golf ended the year with revenues exceeding expenditures by \$308,764 due primarily to an unbudgeted rent credit from the State for improvements to State owned facilities run by the County and an increase in revenue from charges for current services (greens fees, concession income, and golf surcharges) in the amount of \$174,035 or 7% more than budgeted.

Section 2
Position Changes

During the fourth quarter, April 1, 2015 through June 30, 2015, the following reclassification/reorganization changes were approved by the Board of Supervisors. This report also includes a list of all administrative changes approved by the Human Resources Director under the authority of the BOS, and the current vacancy statistics.

POSITION ALLOCATION CHANGES MADE BY THE BOARD OF SUPERVISORS:

Fund Center 142 – Planning & Building - Allocation Changes Approved 4/7/15

Delete 1.00 FTE – 00391 Assistant Director-Planning and Building
Delete 1.00 FTE – 00690 Division Manager - Planning
Add 2.00 FTE – 08980 Deputy Director – Planning and Building

Fund Center 405 – Public Works - Allocation Change Approved 4/14/15

Add 1.00 FTE – 00692 Division Manager – Water Resources

Fund Center 113 – General Services - Allocation Change Approved 4/21/15

Delete 1.00 FTE – 00620 Architectural Supervisor
Add 2.00 FTE – 01353 Capital Planning/Facilities Manager

SUMMARY OF POSITION ALLOCATION CHANGES

FY 14-15	Q1	Q2	Q3	Q4
Quarter Start	2,554.75	2557.25	2,564.00	2,579.25
FTE Additions	22.50	24.50	18.25	5.00
FTE Deletions	20.00	17.75	3.00	3.00
Quarter End	2,557.25	2,564.00	2,579.25	2,581.25
Net Change	+2.50	+6.75	+15.25	+2.00
% Change	.1%	.3%	.59%	.077%

ADMINISTRATIVE CHANGES MADE BY THE HUMAN RESOURCES DEPARTMENT:

None made this quarter.

EMPLOYEE VACANCY RATE

The County employee vacancy rate on June 30, 2015 was 7.54%. This equates to 199.25 vacant positions.

Section 3:
Update on Completed Capital and Maintenance Projects Managed by
General Services

I. Fiscal Year 2014-15 Capital and Maintenance Projects Highlights

- The Completed Capital Projects report identifies the total of capital projects completed in FY 2014-15. The total amount budgeted to complete the eight projects was \$6,613,872 and the actual amount expended totaled \$5,484,658, or 83% of the budgeted funding for the projects. Seven capital projects were cancelled during the year. At times, issues or discoveries are made that may influence a multi-department decision to cancel a project. In this case, seven projects were canceled in the first quarter.
- The Completed Individual Maintenance Projects report identifies a total of six maintenance projects completed in FY 2014-15. The total amount budgeted to complete the six projects was \$3,146,371 and the actual amount expended totaled \$2,505,860 or 80% of the budgeted funding for the projects. One individual maintenance project was cancelled in the second quarter of the year.
- The Completed Countywide Maintenance Projects report displays a total of 40 projects for FY 2014-15. The total amount budgeted to complete the 40 projects was \$1,019,300 and the actual amount expended totaled \$943,164 or 93% of the budgeted funding for the projects. Two planned Countywide Maintenance projects were cancelled during the year.

See the tables that follow this narrative for details.

II. Capital Projects - Fund Center 230

1. Library - Atascadero - Atascadero Library Expansion Project 320030

Tenant improvement of existing building to house new Library, study rooms, conference rooms, community room and library offices.

Final Cost - \$2,930,962 Funding Sources – \$214,650 Public Facilities Fees Libraries; \$193,000 Library's Atascadero Bldg Expansion Designation; \$1,552,243 Friends of the Libraries; \$40,000 City of Atascadero; \$1.5 million transferred from project 320035

2. General Services Agency, Information Technology-Extend Fiber to Atascadero PH/MH Clinic/Hotel Park Building Project 320053

Extended fiber optic cable from railroad to Atascadero Health, Library and North County Service Center buildings. Total length of extension was over 6,000 ft of directional bore.

Final Cost \$224,791 Funding Source – Facilities Planning Reserve

3. Probation-COC-Install New JSC Office HVAC in and near Old Kitchen Area Project 320063

Installed new HVAC in existing JSC office space. A future project will include the design and installation of the HVAC system in and near the old JSC kitchen area.

Final Cost \$13,936 Funding Source – Facilities Planning Reserve

4. Probation-SLO-Upgrade Casa Loma Parking Lot Lighting Project 320064

Developed lighting design, bid documents, and completed construction to install new parking lot lighting around perimeter of facility.

Final Cost \$49,556 Funding Source – Facilities Planning Reserve

5. Sheriff-COC-Honor Farm Fire Laundry Replacement Project Project 320066

Restoration of the honor farm laundry that was destroyed by fire in 2012. The new facility includes additional washing and drying space, storage space, commissary space and upstairs future office expansion.

Final Cost \$678,512 Funding Source – \$524,928 Insurance Reimbursement;
\$165,600 Maintenance Projects FC 200

6. Library-Morro Bay Library Project 320069

Completely demolished the interior of the existing library, redesigned and constructed with expanded ADA restrooms, public area, children's area and private employee area. Updated the exterior ADA access through the parking lot to the building.

Final Cost \$664,211 Funding Source – \$561,686 FOL; \$80,000 Community
Development Building Grant; \$67,039 Countywide ADA;
\$35,000 Library Facilities Planning Reserves

7. Fire - Paso Robles - Replace Leach Field Project 320077

Project created to replace the existing leach field due to low percolation rates. A new leach line was installed and connected to the existing distribution box, existing leach field was left in operation to handle any overflow or future facility expansion.

Final Cost \$41,055 Funding Source – General Fund

8. Airports-SLO-Passenger Terminal Construction Documents Project 330020

Complete set of construction and specification documents were developed for the new terminal at the San Luis Obispo County Regional Airport. The previous project, Terminal Design documents created 60% plans which was completed in project 330018 in 2013.

Final Cost \$881,636 Funding Source – \$584,250 FAA Grant, \$30,750 Passenger Facility Fees, \$46,314 FAA grant transferred from wbs 330018, \$479,273 FAA Airport Improvement Program (AIP) grant, \$27,539 Passenger Facility Fees

III. Individual Maintenance Projects - Fund Center 200

1. General Government - SLO - 1144 Monterey St. Monitoring Wells Abandonment and Remediation Project 300080

Properly mitigated soil contamination at County property in order to cease required testing through monitoring wells

Final Cost - \$285,032 Funding Source – General Fund

2. General Government - Courthouse Annex - Implement Office Consolidation Project 350002

Comprehensive project to perform maintenance & construct tenant improvements to accommodate County offices relocating to the Government Center Complex from leased space as a result of other departments relocating to the new Government Center.

Final Cost \$1,484,604 Funding Source – General Fund

3. General Government - Old Courthouse - Exterior Paint Project 350022

Project to refurbish the exterior of the Old Courthouse Building. The building exterior was cleaned, prepped and repainted including exterior walls, architectural features, exterior monument features, gutters, cornices, and metal window grilles.

Final Cost \$114,740 Funding Source – General Fund

4. Sheriff - West Jail - Security Screens Project 350042

Project installed security screens inside the common space area of the west housing cell blocks. The installation allows Sheriff staff to supervise multiple inmates in the common area simultaneously. Its entry is controlled by the central desk.

Final Cost \$108,312 Funding Source – General Fund

5. General Government - Courthouse Annex - Upgrade Public Elevator Project 350069

Project modernized existing elevator to comply with current building and accessibility codes along with replacing outdated equipment with new technology that saves and generates power.

Final Cost \$481,822 Funding Source – General Fund; Courts

6. Health - Grover - DAS - Longbranch Conference Rooms Project 350106

Project remodeled the interior of the Longbranch DAS office to create 2 new conference spaces. The remodel included electrical, HVAC, and telecom work in addition to the framing, drywall and ceiling.

Final Cost \$31,350 Funding Source – Drug & Alcohol Services Operating Budget; AB 109 funding

FY 2014-15 COMPLETED CAPITAL PROJECTS

Title	Completed Comments	Amount Funded	Final Cost	% Expended	Funding Source
Library - Atascadero - Atascadero Library Expansion Project 320030	Tenant improvement of existing building to house new Library, study rooms, conference rooms, community room and library offices.	3,499,893	2,930,962	84%	214,650 Public Facilities Fees - Libraries; 193,000 Library's Atascadero Bldg Expansion Designation; 1,552,243 Friends of the Libraries; 40,000 City of Atascadero; 1.5M transferred from project 320035
General Services Agency, Information Technology- Extend Fiber to Atascadero PH/MH Clinic/Hotel Park Building Project 320053	Extended fiber optic cable from railroad to Atascadero Health, Library and North County Service Center buildings. Total length of extension was over 6,000 ft of directional bore.	291,700	224,791	77%	Facilities Planning Reserve
Probation-COC-Install New JSC Office HVAC in and near Old Kitchen Area Project 320063	Installed new HVAC in existing JSC office space. A future project will include the design and installation of the HVAC system in and near the old JSC kitchen area.	60,700	13,936	23%	Facilities Planning Reserve
Probation-SLO-Upgrade Casa Loma Parking Lot Lighting Project 320064	Developed lighting design, bid documents, and completed construction to install new parking lot lighting around perimeter of facility	58,400	49,556	85%	Facilities Planning Reserve
Sheriff-COC-Honor Farm Fire Laundry Replacement Project 320066	Restoration of the honor farm laundry that was destroyed by fire in 2012. The new facility includes additional washing and drying space, storage space, commissary space and upstairs future office expansion.	690,528	678,512	98%	524,928 Insurance Reimbursement; 165,600 Maintenance Projects FC 200
Library-Morro Bay Library Project 320069	Completely demolished the interior of the existing library, redesigned and constructed with expanded ADA restrooms, public area, children's area and private employee area. Updated the exterior ADA access through the parking lot to the building.	743,725	664,211	89%	561,686 FOL; 80,000 Community Development Building Grant; 67,039 Countywide ADA; 35,000 Library Facilities Planning Reserves

Fire - Paso Robles - Replace Leach Field Project 320077	Project created to replace the existing leach field due to low percolation rates. A new leach line was installed and connected to the existing distribution box, existing leach field was left in operation to handle any overflow or future facility expansion	100,800	41,055	41%	General Fund
Airports-SLO-Passenger Terminal Construction Documents Project 330020	Complete set of construction and specification documents were developed for the new terminal at the San Luis Obispo County Regional Airport. The previous project, Terminal Design documents created 60% plans which was completed in project 330018 in 2013.	1,168,126	881,636	76%	584,250 FAA Grant, 30,750 Passenger Facility Fees, 46,314 FAA grant transferred from wbs 330018, 479,273 FAA Airport Improvement Program (AIP) grant, 27,539 Passenger Facility Fees
TOTAL COMPLETED FY 2014-15 CAPITAL PROJECTS		6,613,872	5,484,658	83%	

FY 2014-15 COMPLETED MAINTENANCE PROJECTS

Title	Completed Comments	Allocated Funding	Final Cost	Difference Actual- Estimated Cost	% of Allocated Funding Expended
General Government - SLO - 1144 Monterey St. Monitoring Wells Abandonment and Remediation Project 300080	Properly mitigated soil contamination at County property in order to cease required testing through monitoring wells	463,669	285,032	(178,637)	61%
General Government - Courthouse Annex - Implement Office Consolidation Project 350002	Comprehensive project to perform maintenance & construct tenant improvements to accommodate County offices relocating to the Government Center Complex from leased space as a result of other departments relocating to the new Government Center.	1,674,400	1,484,604	(189,796)	89%
General Government - Old Courthouse - Exterior Paint Project 350022	Project to refurbish the exterior of the Old Courthouse Building. The building exterior was cleaned, prepped and repainted including exterior walls, architectural features, exterior monument features, gutters, cornices, and metal window grilles.	131,802	114,740	(17,062)	87%
Sheriff - West Jail - Security Screens Project 350042	Project installed security screens inside the common space area of the west housing cell blocks. The installation allows Sheriff staff to supervise multiple inmates in the common area simultaneously. Its entry is controlled by the central desk.	119,500	108,312	(11,188)	91%

General Government - Courthouse Annex - Upgrade Public Elevator Project 350069	Project modernized existing elevator to comply with current building and accessibility codes along with replacing outdated equipment with new technology that saves and generates power.	705,000	481,822	(223,178)	68%
Health - Grover - DAS - Longbranch Conference Rooms Project 350106	Project remodeled the interior of the Longbranch DAS office to create 2 new conference spaces. The remodel included electrical, HVAC, and telecom work in addition to the framing, drywall and ceiling.	52,000	31,350	(20,650)	60%
TOTAL COMPLETED FY 2014-15 MAINTENANCE PROJECTS		3,146,371	2,505,860	(640,511)	80%

FY 2014-15 COMPLETED COUNTYWIDE MAINTENANCE PROJECTS

Title	Year Funded	Estimated Cost	Final Cost	Difference Actual - Estimated Cost	% of Estimated Cost Expended
Countywide Community Buildings Renovations - General Government - Simmler - Renovate Community Building (moved budget to Maintenance project 350110)	2012/2013	-	203	203	N/A
Countywide Community Buildings Renovations - Gen Govt - Templeton - Repair Parking Lot at Vets Hall	2013/2014	130,000	160,824	30,824	124%
Countywide Community Buildings Renovations - Gen Govt - Templeton - AL Hall Exit Handrails	2013/2014	13,000	11,491	(1,509)	88%
Countywide Stormwater Pollution Prevention-Gen Govt-Templeton- Repair Parking Lot at Vets Hall	2013/2014	80,000	80,000	-	100%
Countywide Facilities Master Plan-Health-SLO-Master Planning Health Campus	2013/2014	15,000	15,308	308	102%
Countywide ADA Compliance - Library - Morro Bay - Restrooms (moved budget to Capital project 320069)	2013/2014	-	(2)	(2)	N/A
Countywide ADA Compliance-Gen Govt-Templeton-Repair Parking Lot at Vets Hall	2013/2014	30,000	30,000	-	100%
Countywide ADA Compliance- Library-Morro Bay-ADA Improvements (moved budget to Capital project 320069)	2013/2014	-	-	-	N/A
Countywide ADA Compliance-Gen Govt-SLO-HUD ADA Items	2014/2015	26,500	32,431	5,931	122%
Countywide ADA Compliance- Library-Arroyo Grande-Install ADA Entry Door Operator	2014/2015	20,000	6,777	(13,223)	34%
Countywide ADA Compliance- AgComm-SLO-ADA Parking Repairs	2014/2015	9,000	8,653	(347)	96%
Countywide Department Relocations - Gen Govt - SLO - Department Consolidation Signage, Auditor-Controller, Tax Collector	2013/2014	5,000	834	(4,166)	17%
Countywide Department Relocations - Gen Govt - SLO - AUD/TTC Consolidation (moved	2013/2014	-	(2)	(2)	N/A

budget to Maintenance project 350109)					
Countywide Department Relocations - Gen Govt-SLO-GSA IT-IT Office Remodel	2013/2014	10,000	6,133	(3,867)	61%
Countywide Department Relocations-Gen Govt-SLO-Kimball Furniture Storage Reorganization	2014/2015	15,000	10,872	(4,128)	72%
Countywide Library Renovations - Oceano - Install Siding	2013/2014	13,000	12,632	(368)	97%
Library-Cambria-Repair the skylight at Old Cambria Library	2014/2015	6,000	3,533	(2,467)	59%
Countywide Energy and Water Conservation - Sheriff - COC - Install Honor Farm Laundry PV/Thermal Panels (moved budget to Capital project 320066)	2012/2013	-	363	363	N/A
Countywide Energy and Water Conservation - Sheriff - COC - Water Meter for County Jail	2013/2014	18,000	33,307	15,307	185%
Countywide Maintenance Projects - Gen Govt - COC - Animal Services Landfill Post Closure Permit Application	2012/2013	45,000	45,858	858	102%
Countywide Maintenance Projects - Gen. Govt. - SLO - Reroute Courthouse Annex Main Electrical Feeder Conduit	2012/2013	58,600	42,975	(15,625)	73%
Countywide Maintenance Projects - Gen Govt - SLO - Probation Patch and Slurry Seal Casa Loma Parking Lot	2013/2014	30,000	27,810	(2,190)	93%
Countywide Maintenance Projects-Gen Govt - SLO- Repair Courthouse Elevator #8 at 976 Osos Str Old Courthouse	2013/2014	20,000	7,124	(12,876)	36%
Countywide Maintenance Projects-Sheriff - COC - Upgrade Detective Bldg Windows	2013/2014	59,100	59,263	163	100%
Countywide Maintenance Projects - IT - Tassajara Peak - Paint Comm Vault Exterior	2013/2014	20,500	19,888	(612)	97%
Countywide Maintenance Projects - Health - SLO - Health Lab Roof Repairs	2013/2014	15,000	7,815	(7,185)	52%
Countywide Maintenance Projects - Fire - Paso Robles - Replace Leach Field (moved budget to Capital project 320077)	2013/2014	-	(2)	(2)	N/A
Countywide Maintenance Projects-Health-COC-Animal Services Asphalt Repair	2013/2014	12,000	11,692	(308)	97%
Countywide Maintenance Projects-Gen Govt-Templeton-Repair Parking Lot	2013/2014	45,000	70,441	25,441	157%

Countywide Maintenance Projects-Gen Govt-SLO-Probation-Casa Loma Install Fire Alarm System	2013/2014	25,000	31,762	6,762	127%
Countywide Maintenance Projects-AgComm-SLO-Patch and Slurry Seal Pkg	2014/2015	91,600	94,304	2,704	103%
Countywide Maintenance Projects-Probation - SLO - Repair Retaining Wall @ Casa Loma	2014/2015	40,000	41,836	1,836	105%
Countywide Maintenance Projects-Health-Atascadero-Create Office Space at Behavioral Health	2014/2015	75,000	2,407	(72,593)	3%
Countywide Maintenance Projects-Templeton-Vets Hall HVAC	2014/2015	25,000	11,897	(13,103)	48%
Countywide Maintenance Projects-IT-SLO-Replace Security Fencing at Cuesta Peak	2014/2015	15,000	12,009	(2,991)	80%
Gen Govt-SLO-Repair Air Handler at NGC	2014/2015	12,000	11,355	(645)	95%
Gen Govt-SLO-Repair & Improve Drainage at Grand Jury 1051 Mill St	2014/2015	10,000	6,810	(3,190)	68%
Gen Govt-SLO-NGC-Replace cracked window on 3rd floor	2014/2015	8,000	7,276	(724)	91%
Gen Govt-COC-Patch IT Data Center Roof	2014/2015	5,000	3,973	(1,027)	79%
Gen Govt-COC-Epoxy Paint Water Quality Lab Flooring	2014/2015	17,000	13,312	(3,688)	78%
TOTAL COMPLETD COUNTY-WIDE MAINTENANCE PROJECTS		1,019,300	943,164	(76,136)	93%

Section 4:
Update on Completed Capital and Maintenance Projects Managed by
Public Works

I. Fiscal Year 2014-2015 Capital & Maintenance Projects Highlights

- 11 Capital Projects were completed. Expenditures totaled \$77,474,588 or 92% of Amended Funding.
- 28 Major Maintenance Projects were completed. Expenditures were \$5,266,617 or 94% of Amended Funding.
- The Department received the following awards:
 - Accredited Public Works Agency, presented by the American Public Works Association
 - 2014-2015 Project of the Year, Transportation \$2-\$5 Million, Main Street Bridge at Santa Rosa Creek, presented by the American Public Works Association, Central Coast Chapter
 - Bridge Project 2015, Main Street Bridge over Santa Rosa Creek, presented by the American Society of Civil Engineers, San Luis Obispo Branch
 - 2015 Outstanding Practitioner Advisor was awarded to Carolyn Berg for her role as an advisor to the Cal Poly Civil Engineering/Society of Civil Engineering Student Chapter, presented by the American Society of Civil Engineers, San Luis Obispo Branch

II. Innovations & Major Projects

- **Los Osos Wastewater Project Collection System (three contracts: Areas B & C, Areas A & D, and Pump Stations)**

The collection system construction was divided into three separate bid packages and construction contracts. Collection System Areas B & C included the pipelines in the areas south and adjacent to Los Osos Valley Road, Cuesta by the Sea, and Sunset Terrace. Collection System Areas A & D included the pipelines in the numbered street areas of Baywood Park, north of Los Osos Valley Road and between South Bay Boulevard and Bush Drive. Collection System Pump Stations included 21 pump stations and related facilities throughout Los Osos. The three bid packages were released concurrently with the construction of the area pipeline contracts leading the pumps stations by several months. Funding for this project was provided by State and Federal low interest loans and grants.

- **Main Street Bridge at Santa Rosa Creek, Cambria**

This construction contract provided for the replacement of Main Street Bridge at Santa Rosa Creek and roadway improvements to Main Street and Santa Rosa Creek Road. The original bridge was constructed in 1922 and was determined by the State of California, Department of Transportation (Caltrans) to be functionally obsolete. Funding for this project came from the Proposition 1B, the Federal Highway Bridge Program (HBP), Bridge Toll Credits, and the Road Fund.

- **La Panza Road Widening, Creston**

The La Panza Road Widening project improved a 1.3 mile long stretch of La Panza Road from Ryan Road to Hord Valley Road to accommodate four foot (4') paved shoulders and included reconstruction of the adjacent drainage ditch. This project was funded from Proposition 1B, Federal Highway Safety Improvement Program (HSIP) and Road Funds.

- **Nacimiento River Crossing Pipe Repair**

This project addressed leaks at the Nacimiento River Crossing for the pipeline by providing a plastic pipe liner for a distance of approximately 1800 linear feet. This project was funded by the Nacimiento Water Project Fund.

- **Asphalt Concrete Overlay 13-14**

The project provided a pavement overlay on South Bay Boulevard from Los Osos Valley Road to 300 feet north of Santa Ysabel for a total length of approximately 1.75 miles. Funding for this project came from the Road Fund Pavement Management Program.

- **Olde Towne Nipomo Park and Ride Lot, Nipomo**

The project consisted of constructing a 19-space park and ride lot on the east side of Highway 101, south of Tefft Street, on the northeastern portion of the County Maintained right-of-way on Carrillo Street, with a small portion built on the Old Pacific Coast Railroad right-of-way (owned by County of San Luis Obispo) in the Town of Nipomo. The project included placement of one ADA parking space and 18 parking spaces, as well as curb, gutter and sidewalk improvements connecting the park and ride lot to Tefft Street. This project was funded by the Regional State Highway Account and the Road Fund.

- **Security Fence at the Lopez Water Treatment Plant**

Construction of removal and replacement of the security fence at the Lopez Water Treatment Plant. Both the Lopez Water Treatment Plant and Terminal Reservoir required security enhancements to restrict public access to the facilities. This project consisted of installation of approximately 6,400 feet of new security fence along the most vulnerable portions of the boundary. The remaining fence along the westerly boundary will be replaced as part of a future project. This project was funded by Flood Control Zone 3 billings.

- **Sidewalk Improvements for Crocker Street, Templeton**

This project constructed detached sidewalk approximately 13 feet from edge of pavement along the existing fence of the West side of Crocker Street to serve as a "Safe Route to School." Curb ramps were installed on the Northwest and Southwest of 7th Street and on the Southwest corner of 6th Street. Funding for this project was provided by State Safe-Routes to Schools and the Road Fund.

- **Lopez Water Treatment Plant Equipment Replacement Project**

This project included replacement of the Lopez Water Treatment Plant supervisory control and data acquisition (SCADA) computer equipment, system software, upgrades, installation and overhead as well as the necessary service, testing and programming. This project was funded by Flood Control Zone 3 billings.

Operations and Maintenance Projects

In addition to the budgeted capital programs, several Operations and Maintenance projects were completed during FY 2014-15. These improvements enhance capacity or extend the life of existing facilities. The projects included:

Utilities Division

- Booster Station, SLO Flood Control-Salinas Dam
 - i. Modular maintenance to two on-site residences
 - ii. Security improvements at Booster Station
- Nacimiento Water Project
 - i. Hydraulic power unit modifications at intake pump station
- Cayucos Water Treatment Facility, County Service Area 10-Water Treatment Fund
 - i. Replace magnetic meters at water pumps
 - ii. Security improvements at the plant
- b. Lopez Dam, Flood Control Zone 3
 - i. Modular maintenance to two on-site residences
 - ii.

Transportation Division (performed by County Crews and specialty contractors)

- Forty-two miles of Chip Seal Treatment on various roads
- Twenty-five miles of Micro-surfacing Treatment on various roads
- Federally funded bridge painting contract (7 structures)
- South Higuera Street rehabilitation – grind and repair of concrete road surface
- Thin overlay in San Miguel – paving residential streets

A table which identifies the completed Capital and Maintenance projects for Fiscal Year 2014-15 is provided below.

Los Osos Wastewater Project

Construction of the Los Osos Wastewater Project has been ongoing since May 2012, and is nearing completion in 2016. Individual properties may begin connecting to the completed sewer system after the water recycling facility is operational in March 2016. There are multiple contracts and programs related to this major capital project that are all progressing on parallel paths. The major components are summarized below.

- Mid Town Site Restoration: The project's Coastal Development Permit (CDP) requires the restoration of the Mid Town Site to a natural state. The major construction was completed in the summer of 2012, with long term site maintenance and monitoring required, especially in the first five years. The restoration work is on-going at the site which prevents erosion, provides habitat and recreation trails, and percolates storm water to the aquifer.
- Low Impact Development (LID) Drainage Improvements: More than 20 drainage improvement projects have been completed throughout Los Osos to improve storm water drainage by infiltrating water into the ground. The drainage improvements reduce local street flood and pollution from storm water runoff. This work is part of the scope of work in the project's CDP, which requires the implementation of LID improvements.
- Collection System: The collection system was divided into three construction contracts which included 42 miles of sewer mains, 7 miles of recycled water mains, leach fields,

fiber optic communications system, and 21 pump stations to serve the Los Osos community. The two pipeline contracts were completed in mid-2014 and the pump station contract was completed in May 2015. A public outreach program, designed to keep residents informed of construction progress and potential neighborhood and traffic impacts, was an important component of the success of the pipeline construction. The outreach program included flyers, door hangers, signage, a website with regularly updated maps and schedules, information telephone hotline, regular office hours, and a dedicated public liaison.

- Water Conservation Program: A water conservation program is a condition of the project's CDP, and the implementation plan was approved by the Board in October 2013. The CDP requires a goal of reducing indoor consumption to 50 gallons per person per day on a budget of up to \$5 million. A major component of the program is the retrofit of all toilets, showerheads, and faucet fixtures to water efficient standards. Other conservation measures include water efficiency surveys for each property, washing machine rebates, and public education. The conservation program began in October, 2012 and more than 8,700 fixtures have been replaced with new water saving fixtures. It is estimated that more than $\frac{3}{4}$ of the homes in the service area have met the program requirements for having low flow fixtures, and analysis of the winter 2015 water usage data indicates that indoor consumption is close to the goal of 50 gallons per person per day.
- Water Recycling Facility: The planned water recycling facility will treat all wastewater flows to meet CA Title 22 recycled water standards for reuse at multiple sites within the Los Osos community. The facility will have a capacity of 1.2 million gallons per day and storage ponds for up to 34 acre-feet of recycled water. Construction is planned from March 2014 to March 2016, after which, there will be a 6 month start-up period while sewer flows increase to allow final testing. Major earthwork and concrete treatment basins are complete and construction is focused on completing buildings and installing mechanical and electrical equipment.
- On-lot Lateral Connections: Upon completion of the water recycling facility in early 2016, the project will be ready for wastewater flows and the connection of individual properties. Each property owner will be responsible for connecting their sewer lateral and abandoning, or re-purposing, their septic system. The connection of the entire community is expected to take one year. Prior to and during the connection period staff will be providing education and technical assistance with construction planning and with securing individual financial assistance. Financial assistance with on-lot costs is expected to include coordination of applications for eligible State, Federal, and local grants and low interest loans for the cost of connection.

The project budget, totaling \$183.4 million, was established in May 2011. The costs are being financed by a combination of State and Federal low interest loans and grants, and the loans will be repaid by Los Osos property owners. To date, the project has secured more than \$20 million in grant funds. As a result of the low interest loans and grants, the estimated monthly project costs for a typical single family residence has been reduced from early estimates of \$200 to a current estimate of \$165 per month.

Project Cost to Date
Los Osos Wastewater Project
As Of 6/30/2015

	Item Description	Budget	Costs to Date	Remaining Budget
1	County Financed Pre-Due Diligence costs (through 4/30/2011)	\$ 8,137,210	\$ 8,137,210	\$ -
2	Administration/Preliminary Engineering			
3	Carollo Engineers	\$ 167,197	\$ 167,197	\$ -
4	Meyers Nave...	\$ 26,590	\$ 1,710	\$ 24,880
5	County Staff/Other Direct Costs	\$ 2,102,184	\$ 2,197,216	\$ (95,031)
6	Subtotal	\$ 2,295,971	\$ 2,366,122	\$ (70,151)
7	Unallocated	\$ -	\$ -	\$ -
8	Total of Administration/Preliminary Engineering	\$ 2,295,971	\$ 2,366,122	\$ (70,151)
9	Environmental Permits/Mitigation			
10	Coastal San Luis RCD	\$ 30,361	\$ 6,790	\$ 23,571
11	Brownstein Hyatt Farber Schreck	\$ 90,000	\$ 81,509	\$ 8,491
12	Far Western Anthropological	\$ 921,606	\$ 822,688	\$ 98,918
13	Kevin Merk Associates	\$ 479,591	\$ 14,588	\$ 465,003
14	Mid Town Restoration (R. Burke Construction, Inc)	\$ 400,762	\$ 400,762	\$ -
15	Rick Engineering	\$ 89,055	\$ 89,055	\$ -
16	SLO Green Build	\$ 97,075	\$ 76,549	\$ 20,526
17	SLO Starts Plant Propagation	\$ 54,871	\$ 54,871	\$ -
18	SWCA	\$ 56,539	\$ 56,539	\$ -
19	SWCA	\$ 333,549	\$ 265,779	\$ 67,770
20	APCD	\$ 157,007	\$ 157,007	\$ -
21	Water Conservation	\$ 3,830,000	\$ 1,383,296	\$ 2,446,704
22	County Staff/Other Direct Costs	\$ 1,592,993	\$ 1,487,440	\$ 105,552
23	Subtotal	\$ 8,133,408	\$ 4,896,872	\$ 3,236,536
24	Unallocated	\$ -	\$ -	\$ -
25	Total of Environmental Permits/Mitigation	\$ 8,133,408	\$ 4,896,872	\$ 3,236,536
26	Collection and Recycled Water - Design and Construction			
27	Camp Dresser & McKee	\$ 6,152,408	\$ 5,931,006	\$ 221,403
28	Cardno TBE	\$ 20,659	\$ 20,659	\$ -
29	Collection System Contract - Areas A & D	\$ 28,846,240	\$ 25,101,381	\$ 3,744,859
30	Collection System Contract - Areas B & C	\$ 31,709,286	\$ 31,709,286	\$ -
31	Collection System Contract - Pump Stations	\$ 9,544,550	\$ 9,247,683	\$ 296,867
32	HDR Engineering	\$ 9,182,274	\$ 8,880,073	\$ 302,201
33	LOCSD 2005 Installed Pipes	\$ 772,029	\$ 772,029	\$ -
34	County Staff/Other Direct Costs	\$ 3,258,214	\$ 2,736,868	\$ 521,345
35	Subtotal	\$ 89,485,660	\$ 84,398,985	\$ 5,086,675
36	Unallocated	\$ -	\$ -	\$ -
37	Total of Collection and Recycled Water - Design and Construction	\$ 89,485,660	\$ 84,398,985	\$ 5,086,675
38	Treatment Facility - Design and Construction			
39	Carollo Engineers (Preliminary Design)	\$ 785,244	\$ 785,244	\$ -
40	Carollo Engineers (Final Design)	\$ 4,826,599	\$ 4,747,814	\$ 78,785
41	HDR Engineering	\$ 4,022,979	\$ 2,237,590	\$ 1,785,389
42	WRF Contract	\$ 50,601,814	\$ 29,588,399	\$ 21,013,415
43	County Staff/Other Direct Costs	\$ 1,750,000	\$ 1,197,373	\$ 552,627
44	Subtotal	\$ 61,986,636	\$ 38,556,419	\$ 23,430,217
45	Unallocated	\$ 323,303	\$ -	\$ 323,303
46	Total of Treatment Facility - Design and Construction	\$ 62,309,939	\$ 38,556,419	\$ 23,753,520
47	Right of Way			
48	Hamner Jewell & Associates	\$ 56,897	\$ 56,897	\$ -
49	Schenberger Taylor...	\$ 50,000	\$ 50,000	\$ -
50	Real Property Acquisition	\$ 2,247,945	\$ 2,247,945	\$ -
51	Price Postal Parma	\$ 105,891	\$ 105,891	\$ -
52	County Staff/Other Direct Costs	\$ 425,000	\$ 417,637	\$ 7,363
53	Subtotal	\$ 2,885,733	\$ 2,878,370	\$ 7,363
54	Unallocated	\$ -	\$ -	\$ -
55	Total of Right of Way	\$ 2,885,733	\$ 2,878,370	\$ 7,363
56	Subtotal of Project Costs	\$ 173,247,921	\$ 141,233,978	\$ 32,013,943
57	Contingency	\$ 2,733,486	\$ -	\$ 2,733,486
58	SRF Refinance	\$ 6,288,416	\$ 6,288,416	\$ -
59	Interest/Finance Charges	\$ 1,110,000	\$ 1,023,737	\$ 86,263
60	GRAND TOTAL	\$ 183,379,823	\$ 148,546,131	\$ 34,833,692

Yr Funded	Description	Original Funding	Amended Funding	Final Project Cost	Actual %
CAPITAL PROJECTS					
FUND 2002001000 - LOS OSOS WASTEWATER PROJECT-CONSTRUCTION					
2010/2011	<p>Los Osos Wastewater Project Collection System (three contracts: Areas B & C, Areas A & D, and Pump Stations)</p> <p><i>The collection system construction was divided into three separate bid packages and construction contracts. Collection System Areas B & C included the pipelines in the areas south and adjacent to Los Osos Valley Road, Cuesta by the Sea, and Sunset Terrace. Collection System Areas A & D included the pipelines in the numbered street areas of Baywood Park, north of Los Osos Valley Road and between South Bay Boulevard and Bush Drive. Collection System Pump Stations included 21 pump stations and related facilities throughout Los Osos. The three bid packages were released concurrently with the construction of the area pipeline contracts leading the pumps stations by several months.</i></p>	70,758,290	70,758,290	66,758,155	94.3%
FUND 1200000000 - ROAD FUND					
2003/2004	<p>Main Street Bridge at Santa Rosa Creek, Cambria</p> <p><i>This construction contract provided for the replacement of Main Street Bridge at Santa Rosa Creek and roadway improvements to Main Street and Santa Rosa Creek Road. The original bridge was constructed in 1922 and was determined by the State of California, Department of Transportation (Caltrans) to be functionally obsolete.</i></p>	6,389,299	6,584,032	5,798,781	88.1%
FUND 1200000000 - ROAD FUND					
2008/2009	<p>La Panza Road Widening, Creston</p> <p><i>The La Panza Road Widening project improved a 1.3 mile long stretch of La Panza Road from Ryan Road to Hord Valley Road to accommodate four foot (4') paved shoulders and included reconstruction of the adjacent drainage ditch.</i></p>	2,506,255	2,506,255	2,228,611	88.9%
FUND 2200001000 - NACIMIENTO WATER CONSTRUCTION FUND					
2014/2015	<p>Nacimiento River Crossing Pipe Repair</p> <p><i>This project addressed leaks at the Nacimiento River Crossing for the pipeline by providing a plastic pipe liner for a distance of approximately 1800 linear feet.</i></p>	1,609,000	1,544,701	1,420,739	92.0%
FUND 1200000000 - ROAD FUND					
2013/2014	<p>Asphalt Concrete Overlay 13-14</p> <p><i>The project provided a pavement overlay on South Bay Boulevard from Los Osos Valley Road to 300 feet north of Santa Ysabel for a total length of approximately 1.75 miles.</i></p>	2,140,058	1,980,626	612,427	30.9%

Yr Funded	Description	Original Funding	Amended Funding	Final Project Cost	Actual %
FUND 1200000000 - ROAD FUND					
2011/2012	<p>Olde Towne Nipomo Park and Ride Lot, Nipomo</p> <p><i>The project consisted of constructing a 19-space park and ride lot on the east side of Highway 101, south of Tefft Street, on the northeastern portion of the County Maintained right-of-way on Carrillo Street, with a small portion built on the Old Pacific Coast Railroad right-of-way (owned by County of San Luis Obispo) in the Town of Nipomo. The project included placement of one ADA parking space and 18 parking spaces, as well as curb, gutter and sidewalk improvements connecting the park and ride lot to Tefft Street.</i></p>	168,363	253,364	227,200	89.7%
FUND 2200500000 - FLOOD CONTROL ZONE 3					
2012/2013	<p>Security Fence at the Lopez Water Treatment Plant</p> <p><i>Construction of removal and replacement of the security fence at the Lopez Water Treatment plant. Both the Lopez Water Treatment Plant and Terminal Reservoir required security enhancements to restrict public access to the facilities. This project consisted of installation of approximately 6,400 feet of new security fence along the most vulnerable portions of the boundary. The remaining fence along the westerly boundary will be replaced as part of a future project.</i></p>	260,000	260,000	222,652	85.6%
FUND 1200000000 - ROAD FUND					
2013/2014	<p>Sidewalk Improvements for Crocker Street, Templeton</p> <p><i>This project constructed detached sidewalk approximately 13 feet from edge of pavement along the existing fence of the West side of Crocker Street to serve as a "Safe Route to School." Curb ramps were installed on the Northwest and Southwest of 7th Street and on the Southwest corner of 6th Street.</i></p>	200,600	200,600	137,472	68.5%
FUND 2200500000 - FLOOD CONTROL ZONE 3					
2014/2015	<p>Lopez Water Treatment Plant Equipment Replacement Project</p> <p><i>This project included replacement of the Lopez Water Treatment Plant supervisory control and data acquisition (SCADA) computer equipment, system software, upgrades, installation and overhead as well as the necessary service, testing and programming.</i></p>	75,000	75,000	68,551	91.4%
CAPITAL PROJECT TOTALS:		84,106,865	84,162,868	77,474,588	92.1%

Yr Funded	Description	Original Funding	Amended Funding	Final Project Cost	Actual %
MAINTENANCE PROJECTS					
FUND 1200000000 - ROAD FUND					
2014/2015	2014 Pavement Surface Treatment of Various County Roads, San Luis Obispo County <i>This pavement surface treatment project is part of the Department of Public Works Annual Pavement Management program which provided for the resurfacing of existing paved roads to extend the service life of the pavement. The project provided a micro surfacing treatment on 25 miles of various County maintained asphalt concrete roadways in the San Luis Obispo, Templeton and Cayucos areas.</i>	1,037,982	1,289,417	1,177,873	91.3%
FUND 1200000000 - ROAD FUND					
2014/2015	Bridge Painting Project of Various County-wide Bridge, San Luis Obispo County <i>The project provided for painting the bridge steel components showing signs of paint deterioration and rusting on seven bridges in the County. These bridges are as follows: Tassajara Creek Road Bridge, Steener Creek Road Bridge, Last Pilitas Road Bridge B-2, Las Pilitas Road Bridge B-3, Buckley Road Bridge, Parkhill Road Bridge, Chimney Rock Road Bridge.</i>	1,125,000	1,125,000	926,116	82.3%
FUND 1200000000 - ROAD FUND					
2014/2015	Major roadway patching and shoulder reconditioning on Pozo Road, Santa Margarita.	318,556	318,556	318,556	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Major roadway patching on Linne Road, Paso Robles.	290,193	290,193	290,193	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	South Higuera Street Rehabilitation Project <i>The project for rehabilitation retained the concrete surface and improved the ride quality by grinding to remove surface irregularities and faulting of the concrete slabs at joints and sealed existing cracks. This is a standard practice on concrete roads which remain structurally adequate to serve traffic. In addition, work included short sections of asphalt overlay for areas over existing culverts which had significant settlement in the past. The existing south bound bike lane received an asphalt seal treatment that will extend pavement life.</i>	280,000	288,346	286,163	99.2%

Yr Funded	Description	Original Funding	Amended Funding	Final Project Cost	Actual %
FUND 1200000000 - ROAD FUND					
2014/2015	Major roadway paving on Pozo Road, Santa Margarita.	250,718	250,718	250,718	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Major roadway patching on Geneseo Road, Paso Robles.	153,772	153,772	153,772	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Roadway graveling on McMillan Canyon Road, Shandon.	150,679	150,679	150,679	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Major roadway prep, grinding and paving on Santa Ysabel, Los Osos.	137,979	137,979	137,979	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Roadway prep work and paving on Nipomo Avenue, Los Osos.	127,957	127,957	127,957	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Roadway paving and redrock on Mehlschau Road, Nipomo.	125,804	125,804	125,804	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Chip seal prep work on roads near Salinas Dam.	125,113	125,113	125,113	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Major roadway prep work on Turri Road, Los Osos.	104,800	104,800	104,800	100.0%

Yr Funded	Description	Original Funding	Amended Funding	Final Project Cost	Actual %
FUND 1200000000 - ROAD FUND					
2014/2015	Shoulder improvement work on Pine Avenue, Los Osos.	98,685	98,685	98,685	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Major roadway patching on South Frontage Road, Nipomo.	93,450	93,450	93,450	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Roadway ditch repair work on Picachio Road, Cayucos.	87,796	87,796	87,796	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Major roadway graveling on Penman Springs Road, Paso Robles.	79,827	79,827	79,827	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Roadway prep work, grinding and paving on South Bay Boulevard, Los Osos.	78,525	78,525	78,525	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Roadway prep work and paving on Paso Robles Avenue, Los Osos.	77,985	77,985	77,985	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Roadway graveling on Seven Mile Road, Carrizo Plain.	74,913	74,913	74,913	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Major roadway patching on K Street, San Miguel.	74,227	74,227	74,227	100.0%

Yr Funded	Description	Original Funding	Amended Funding	Final Project Cost	Actual %
FUND 1200000000 - ROAD FUND					
2014/2015	Roadway prep work and paving on Eleventh Street, Los Osos.	70,343	70,343	70,343	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Roadway paving on Halcyon Road, Arroyo Grande.	66,609	66,609	66,609	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Roadway paving and shoulder work on Sheehy Road, Nipomo.	64,048	64,048	64,048	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Chip seal prep work on Valle Vista Place, San Luis Obispo.	62,103	62,103	62,103	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Roadway prep and crack sealing on El Camino Real, Atascadero.	61,283	61,283	61,283	100.0%
FUND 1200000000 - ROAD FUND					
2014/2015	Major roadway patching on San Luis Obispo Road, San Miguel.	60,798	60,798	60,798	100.0%
FUND 2300000000 - SLO FLOOD CONTROL-US GOVT-SALINAS DAM FD					
2014/2015	Micro-Surface Dam Access Road, Salinas Dam <i>Removal and replacement of large sections of the access road and crack sealing along the remaining sections. The entire road was also chip sealed. Chip sealing is a pavement maintenance practice that will extend pavement life and provide a good driving surface.</i>	48,081	48,081	40,302	83.8%
MAINTENANCE PROJECT TOTALS:		5,327,226	5,587,007	5,266,617	94.3%

Section 5 Miscellaneous Issues

Discharge of Bad Debt:

Requests to discharge bad debt are presented to the Board in accordance with Government Code requirements. The action relieves the requesting department from active pursuit of receivables, but does not release the responsible parties from the debt owed. Requests to discharge bad debt are only submitted to the Board for action after an extensive investigation has taken place and the department has reached the conclusion that the debt will not be collected. If a department's collection efforts are unsuccessful, cases are often turned over to the County's contract collection agency. The following requests for relief from accountability have been submitted to the Board for consideration.

- Request for Relief of Accountability in the amount of \$2,055 for non-collectible balance on behalf of the Public Works Internal Service Fund (ISF).
- Request for Relief of Accountability in the amount of \$13,947 on behalf of the Fund Center 180 – Social Services for non-collectable debt for CalWORKs, CalFresh and General Assistance programs.
- Request for Relief of Accountability in the amount of \$23,048 on behalf of Fund Center 160 – Public Health for Public Health's Environmental Health Services accounts that have been determined non-collectible.
- Request for Relief of Accountability in the amount of \$19,382 on behalf of Fund Center 160 – Public Health for Public Health Laboratory accounts that have been determined to be non-collectable.

Memos from each of the requesting departments are included in Attachment 1.

Miscellaneous:

The following requests have been submitted to the Board for consideration.

- Request to 1) declare seventeen (17) vehicles as surplus; 2) authorize removal from the County's fleet; and 3) authorize their sale to recover value in accordance with County Code Section 2.36.030(5).
- Submittal of a progress report on the implementation of the Fleet Selection Criteria Policy.
- Request to approve a budget adjustment in the amount of \$311,896 using a contribution from the Cambria Friends of the Library to pay down the loan from the General Government Building Replacement Fund. This request was originally approved by the Board on November 4, 2014; however, at the time, the item did not include a request for a budget adjustment to complete the transaction.

Memos from each of the requesting departments are included in Attachment 1.

Section 6

Goals and Performance Measures

The County's "Results Based Decision Making" initiative is the tool used to identify performance measurements that help to link local government activities and spending to results that benefit the community. Below is a summary of the performance measure results achieved by departments. A complete listing of final Goals and Performance Measures achieved by departments at the conclusion of FY 2014-15 is available in the Clerk-Recorder's Office and on the County's website at:

http://www.slocounty.ca.gov/admin/Resources/FY_2014-15_Performance_Measure_Results.htm

Out of a total of 216 measures, 37 (17%) were met, 82 (38%) exceeded their target, and 80 (37%) did not meet their targets. There is no data available to report on 17 (8%) of the measures, which is largely due to comparative data not yet being available from the State or comparator counties. The performance measure results in each of the tables contained in the write up below were determined precisely - measures were listed as 'met' only if actual results matched the target exactly and measures were listed as 'exceeded' or 'not met' even if there was very slight (i.e. 0.10%) variation from the adopted target. This method of evaluation and determination allows for no variation from very specific targets and explains why only 17% of measures were "met." FY 2014-15 performance measure results are generally consistent with results from prior years, although there was an increase in the number of measures that are "not met" or "exceeded", compared to the prior year. As noted above, 80 (37%) of the targets were not met in FY 2014-15 which is slightly higher compared to the 78 (36%) of targets not met in FY 2013-14. Eighty-two (38%) of the FY 2014-15 measures exceeded their targets; a slight increase compared to the 79 (36%) measures that exceeded their targets in FY 2013-14. It is important to note that the increase in measures "not met" does not necessarily indicate a decrease in performance level as some departments use stretch targets and some performance measures have changed from the prior year.

All County departments are grouped together by functional areas, which categorize the types of services that individual departments provide. The following are highlights of performance measures by functional areas. As noted above, a complete listing of final performances and results achieved can be found on the County's website or in the Clerk Recorder's Office.

Land Based Functional Area						
FC #	Department	Total # of FY14-15 Performance Measures	# of Measures Met	# of Measures Exceeded	# of Measures Not Met	# of Measures for which data is not available
141	Agricultural Commissioner	7	0	4	1	2
142	Planning & Building*	12	2	3	7	0
201	Public Works- Special Services	7	1	3	3	0
245	Public Works- Roads	6	0	4	2	0
405	Public Works	2	1	0	1	0
Total Land Based		34	4	14	14	2
		100%	12%	41%	41%	6%

*Planning and Building has one performance measure (measure #2) which has eight sub measures.

Out of 34 Land Based measures, 14 (41%) exceeded their targets, 4 (12%) were met, and 14 (41%) did not meet their targets. There is no data available to report on 2 (6%) of the measures, which is due to comparative data not yet being available from the State. The discussion below highlights some of the factors affecting performance measures for the departments of Planning and Building and Public Works - Roads.

Planning and Building has twelve performance measures (one measure has eight sub measures), which measures the services provided to achieve the department's mission to promote the wise use of land and help to build great communities. Of the twelve measures, 2 (17%) of the measures were met, 3 (25%) exceeded targets, and 7 (58%) were not met. Due to the rebounding economy, Planning and Building has seen an increase in building, land use activity, large controversial projects and appeals which increased the overall department workload. In addition, there has been an increase in the number of state codes and local regulations (i.e. new Residential Code, State Green Code, new Energy Code, Regional Water Quality Control Board (RWQCB) storm water regulations and new CEQA/Cultural Resource protection requirement that are being incorporated into the permit review process. Performance measure #2 consists of eight sub measures and tracks the percentage of project types processed within established time lines for representative project types. Two out of the eight sub measures were met, one exceeded department targets, and five were not met. The percentage targets for each sub measure are the department's goals that remain high; however, the department acknowledges the majority of targets will be difficult to achieve. As increased activity and implementation of code changes continues to impact review times, the department will continue to implement efficiencies wherever possible and evaluate the feasibility of current targets.

Roads has six measures relating to the condition of infrastructure and collision rates. All measures were exceeded aside from the Pavement Condition Index (PCI) and the number of collisions at signalized intersections. The adopted FY 2014-15 target for the PCI was 62 for all County-maintained paved roads. Actual results consisted of a system-wide average of 61. Achievement of a higher pavement condition score is tied to the amount of funding provided to the pavement management program, which is administered by documenting road conditions, forecasting pavement maintenance, and scheduling maintenance funds for the road system. This management program is designed to provide the greatest return on investment of County funds. The department received a sizeable one-time General Fund contribution \$2 million for FY 2014-15 for the pavement management program. For FY 2015-16, it received \$3 million and this in conjunction with Road Fund reserves amounted to an investment of approximately \$11.1 million, which should enable the County to achieve a PCI score of 63. At least \$10.8 million in funding would be needed each year for the next ten years to reach the Board-adopted goal of 65.

Public Protection Functional Area						
FC #	Department	Total # of FY14-15 Performance Measures	# of Measures Met	# of Measures Exceeded	# of Measures Not Met	# of Measures for which data is not available
130	Waste Management	1	0	0	1	0
132	District Attorney	10	0	5	2	3
134	Child Support Services	4	0	0	0	4
135	Public Defender	2	1	0	1	0
136	Sheriff	10	3	3	4	0
137	Animal Services	5	0	3	1	1
138	Emergency Services	5	2	3	0	0
139	Probation	6	0	2	4	0
140	County Fire*	7	0	1	6	0
Total Public Protection		50	6	17	19	8
		100%	12%	34%	38%	16%

*Note: County Fire has two performance measures (measures #1 and #2) which each have five sub measures.

Out of a total of 50 measures, 23 (46%) were achieved. Of those, 6 (12%) met the target for the year and 17 (34%) exceeded the target. 19 (38%) did not meet the target. There was no data available to report on 8 (16%) measures.

Performance measures tracking response times for Sheriff and County Fire operations generally show positive results. The Sheriff's Office met or exceeded average response time targets for all three of its Patrol Beats: Coast Station, South Station and North Station. The improvement in the northern area of the county was particularly notable, where high priority or life threatening calls for service were answered within 15 minutes 79% percent of the time, up from 62% last year.

County Fire response times for units to arrive on scene were positive overall. In FY 2014-15, the first County Fire unit arrived on scene in urban areas on average within seven minutes 84% of the time: in urban areas within eight minutes 89% of the time, and in rural areas within 15 minutes 97% of the time. The five year average dollar value of property losses by fire in the area served by County Fire was \$30,340 per thousand population in FY 2014-15, compared to \$35,668 per thousand nationally. There have been no fire deaths in the area served by County Fire since 2010.

The crime rate for serious offenses, including violent crimes (homicide, forcible rape, robbery and aggravated assault), property (burglary and motor vehicle theft) and arson, declined slightly from last year, down 2.9% (45 offenses). According to the District Attorney's Office, San Luis Obispo County has consistent ranked lower than the statewide average crime rate for the last six years. In FY 2014-15 violent crime(s) (measured by the number of aggravated assaults in the county) declined 25% (69 offenses). The Sheriff's Office reports its arrest rate on cases of this type was 82%, up from 74% last year, and was far higher than the national arrest rate of 56%. The Sheriff's Office responded to one homicide in FY 2014-15, compared to three in the prior year. The Sheriff's arrest rate for homicides in both years was 100%, compared to the national arrest rate of 64%.

Health and Human Services Functional Area						
FC #	Department	Total # of FY14-15 Performance Measures	# of Measures Met	# of Measures Exceeded	# of Measures Not Met	# of Measures for which data is not available
160	Public Health	10	0	6	2	2
166	Behavioral Health	8	1	2	5	0
184	Law Enforcement Medical Care	1	0	0	1	0
186	Veteran Services	4	1	2	1	0
180	Social Services	10	1	1	7	1
350	Medically Indigent Services Program	0	0	0	0	0
375	DUI	3	0	1	2	0
Total Health and Human Services		36	3	12	18	3
		100%	8%	33%	50%	8%

Out of 36 Health and Human Services performance measures, 12 (33%) exceeded their targets, 3 (8%) were met, and 18 (50%) did not meet their targets. Additionally, 3(8%) measures could not be reported on because the required data was not available. Overall, FY 2014-15 performance measure results are generally consistent with results from prior years, although there is a slight decrease in the number of measures that are “met” or “exceeded”, compared to the prior year primarily due to an increase in the number of measures for which there was no data available to report. As was the case in FY 2013-15, half of all measures tracked for Health and Human Services were not met. The following are some highlights of measures for this functional area.

More than half (64%) of the 36 performance measures tracked by the Health and Human Services departments are influenced by external factors. While services offered by these departments can have a positive effect on these measures, it is important to note that the results are not fully within the department’s control. For example, Public Health tracks the rate of reported retail foodborne disease outbreaks, the rate birthrate of adolescent females ages 15-17 and the percent of pregnant and parenting women who screened positive for drug and/or alcohol use and are enrolled in Public Health Nursing Case Management. Public Health exceeded the set target for all three of these measures in FY 2014-15. On the other hand, the target for the rate of low birth weight babies was not met. While the rate of low birth weight babies is rising gradually, the three-year average for San Luis Obispo County remains below the Statewide Average.

Behavioral Health and the Department of Social Services (DSS) also track measures that are influenced by external factors. For example, Behavioral Health measures the percentage of patients discharged from the Psychiatric Health Facility (PHF) that are re-admitted within 30 days. In FY 2014-15 the results of this measure fell short of the target of 10%, by 2.7%. While the goal is to stabilize patients sufficiently prior to their release, some patients decompensate and require additional hospitalization. Behavioral Health also tracks the percentage of clients receiving drug and alcohol treatment services that have reduced or eliminated substance use, or have maintained sobriety upon completion of treatment. While this target was also not met, the percentage of clients that achieve this is high (95%), which is consistent with the statewide average.

The results for four such measures tracked by DSS fell short of the target. Two of these are related to the foster care system: the percentage of children re-entering foster care within 12 months of being united with their families, and the percentage of children in out-of-home care placed with all of their siblings. While approximately 13.5% of children re-entered foster care within the 12 month period, falling short of the goal of no more than 10%, our County’s results improved by more than 5% compared to the prior year. In terms of the percent of children placed with all their siblings in out-of-home care, the result for FY 2014-15 was 51.3% fell short of the target by almost 17%, but was comparable to the statewide average and slightly above the average for comparable counties.

Community Services Functional Area						
FC #	Department	Total # of FY14-15 Performance Measures	# of Measures Met	# of Measures Exceeded	# of Measures Not Met	# of Measures for which data is not available
215	Farm Advisor	5	2	3	0	0
377	Library	6	0	3	2	1
425	Airport	4	1	2	1	0
305	Parks and Recreation	4	0	3	1	0
427	Golf	4	0	2	2	0
Total Community Services		23	3	13	6	1
		100%	13%	57%	26%	4%

Out of 23 Community Services measures, 13 (57%) exceeded their targets, 3 (13%) were met, and 6 (26%) did not meet their targets. Additionally, 1 (4%) could not be reported on because no data was available. FY 2014-15 performance measure results are generally consistent with the prior year, with close to 70% of the measures being met or exceeded in the current year. The discussion below highlights some of the performance measures results.

The performance measures tracking customer satisfaction (primarily through surveys) were exceeded in the Parks and Recreation, Golf, Farm Advisor, and Airports fund centers. Parks and Recreation reported that a total of 96% of customers (out of 475 total responses) surveyed rated their parks and recreation experience as satisfactory or better, and Golf reported that 90% of its customers surveyed (out of 642 responses) rated their recreation experience as satisfactory or better. The Farm Advisor reported that 92% of program evaluations completed (out of 379 evaluations) indicate that services provided were high-quality and responsive to community desires. While a customer satisfaction survey was not conducted for the Library in FY 2014-15, it reported that it provided 430 open hours (a 17% increase), compared to 367 open hours in the prior year to ensure maximum access and utilization by community members.

Performance measures relating to safety and hazards were generally met or exceeded in the Parks and Airport fund centers. Parks abated 245 hazards (100%) within one workday of being reported (2% above the target), and 75% of Airport work orders were completed within 72 hours of being opened, meeting the target. The Airport also scored 98% (2% below the target) in its annual inspection by the Federal Aviation Administration (FAA), which tracks compliance with safety and security requirements. A majority of the findings were related to new standards and advisories implemented by the FAA, which typically require time for compliance.

Two of the measures not met were due to higher than targeted operating costs per golf round (at \$22.33, or 6% above the target) and fewer golf rounds played (at 117,007, or 4.8% below target). However, operating revenue per golf round also exceeded the target (at \$22.67/round, or almost 6% above target) due in part to increased tourism in Morro Bay and additional full fee players. The decrease in rounds played can be largely attributed to the loss of rough and fairway turf at Dairy Creek due to decreased irrigation water availability, and also to the concessionaire bankruptcy at Dairy Creek. Of the six measures not met, three were within 2% of the target.

Fiscal and Administrative Functional Area						
FC #	Department	Total # of FY14-15 Performance Measures	# of Measures Met	# of Measures Exceeded	# of Measures Not Met	# of Measures for which data is not available
100	Board of Supervisors	2	0	0	0	2
104	Administrative Office	6	2	3	0	1
107	Auditor-Controller	6	3	1	2	0
108	Treasurer/Tax Collector	7	5	2	0	0
109	Assessor	4	0	1	3	0
110	Clerk Recorder*	8	0	2	6	0
275	Organizational Development	1	0	0	1	0
Total Fiscal and Administrative		34	10	9	12	3
		100%	29%	26%	35%	9%

*The Clerk-Recorder has one performance measure (#3) which has four sub measures.

Out of 34 Fiscal and Administrative measures, 10 (29%) targets were met, 9 (26%) exceeded their targets, and 12 (35%) did not meet their targets. There is no data available to report on 3 (9%) of the measures. The Board of Supervisors' two (2) measures track citizen satisfaction with triennial surveys. The next surveys are planned for FY 2016-17. The following is notable information related to performance measures that track the County's financial health and stability.

The Administrative Office has a measure which tracks the ratio of General Fund backed annual debt service to the annual General Fund budget. The County's target follows industry standard which is to keep this ratio below 5%. Despite several years of budget difficulties, the County has been able to consistently meet this target. FY 2014-15 results show that the County slightly exceeded its set target of 3.2%, with a ratio of 3.0%. A ratio under 5% is considered favorable by bond rating agencies and indicates that the County manages its debt well.

The Auditor-Controller has two measures which track the results of audits performed by outside auditors. These measures target clean or favorable audits on the Countywide Cost Allocation Plan and the Comprehensive Annual Financial Report (CAFR), and have consistently been met, which helps to assure the public and investors that the County's financial statements are reliable and accurate.

The Treasurer-Tax Collector has a measure which relates to the credit rating of the Treasury pool. In FY 2014-015, the County maintained the highest ("AAA/VI") rating available from Fitch Ratings, Inc. This credit rating ensures the investors that the County pays its financial obligations as well as meets all safety and liquidity goals for the Treasury investment pool. Another measure tracks the percentage of annual current secured property taxes owed that is not collected. The result of 1.08%, or \$5,183,970, of property taxes not collected exceeded the target of 2% and is the lowest level of uncollected taxes in over 20 years.

Support to County Departments Functional Area						
FC #	Department	Total # of FY14-15 Performance Measures	# of Measures Met	# of Measures Exceeded	# of Measures Not Met	# of Measures for which data is not available
105	Risk Management	10	8	0	2	0
111	County Counsel	5	0	3	2	0
112	Human Resources	7	0	4	3	0
113	General Services	7	0	5	2	0
114	Information Technology	7	3	3	1	0
407	Fleet Services	3	0	2	1	0
Total Support to County Depts		39	11	17	11	0
		100%	28%	44%	28%	0%

Out of 39 measures, 17 (44%) exceeded their targets, 11 (28%) were met, and 11 (28%) did not meet their targets. FY 2014-15 performance measure results are an improvement over the prior year, with six more measures exceeded in FY 2014-15 than they were in FY 2013-14. Nearly all departments in this functional area have made improvement in the number of measures exceeded. The discussion below highlights some of the performance measures results.

Risk Management met many of its targets related to serious injuries, liability claims and worker's compensation claims. The County has consistently done better than the CSAC Excess Insurance Authority average for these indicators.

General Services has seven performance measures relating to customer satisfaction, cost savings from purchasing activities, and timeliness of maintenance work order completion and capital projects. Five of the seven measures were exceeded and two were not met. One measure, for the total cost savings provided to all County departments by Purchasing, was exceeded by approximately 288%, or by \$1.2 million. This was accomplished by processing over \$105 million in purchase order value. The department will continue to pursue other cost-saving opportunities in FY 2015-16, including aggregating spending with other local government agencies and vendor educational outreach. In addition, the Purchasing division earned the Achievement of Excellence in Procurement Award for 2015, which is granted by the National Procurement Institute as a means to recognize organizational excellence in procurement. Only 47 other counties in the nation received the award for 2015. Award selection criteria is based on 35 best procurement practices, including areas such as ethics, professional development, customer satisfaction, electronic/automation processes, and the continued pursuit of excellence.

Fleet Services has three measures related to vehicle maintenance. While the measures for timeliness of maintenance completion and customer satisfaction were exceeded, the measure for brake service costs for Sheriff's patrol vehicles was not met due to the increased parts expense for the Chevrolet Caprice Police Pursuit Vehicle. The Sheriff's Office' previous pursuit vehicle (Crown Victoria) used less expensive parts. The target for FY 2015-16 has been adjusted to compensate for the different model.